

# News from Ed Markey

**United States Congress**

**Massachusetts Seventh District**

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**December 12, 2001**

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## **MARKEY INTRODUCES TAX INCENTIVES BILL FOR HOME ENERGY EFFICIENCY**

*Bill would encourage reduction of energy use by  
30 – 50% in existing buildings*

Washington, D.C. – Representative Edward J. Markey (D-MA) introduced a bill, H.R. 3455, co-sponsored by Rep. Randy “Duke” Cunningham (R-CA), which will provide tax incentives for improving the energy efficiency of existing buildings by 30 – 50%.

“Building construction and operation represents 15% of the Gross National Product and buildings consume 35% of the nation’s primary energy budget,” said Rep. Markey.

He explained, “This bill will help stimulate the economy while strengthening our nation’s energy security by reducing vulnerability to transmission disruptions and cutting our dependence on imported oil and gas.”

The Markey-Cunningham legislation provides tiered tax incentives for building energy efficiency improvements that result in either a 30% or 50% reduction in heating and cooling energy cost to the home occupants. The bill creates tax incentives based totally on energy performance, rather than on the cost of specific products or the expenditures of the taxpayer, as in other proposed legislation. This achieves two critical goals:

- It assures that projected energy savings will be achieved; and
- It encourages vigorous competition and innovation in the marketplace, reducing the cost of energy efficiency.

Furthermore, the amounts of the tax incentives are enough to encourage the desired energy efficiency improvements but are not large enough to cause undue federal revenue losses (about 20% of the average estimated cost of improvement is provided as a tax credit). The legislation would also encourage the production, sale and installation of energy-efficiency technologies and provide jobs and economic stimulus within the construction industry.

“Off-the-shelf technology exists that can cost-effectively reduce homeowners’ current energy use by 50%,” said Rep. Markey “This would result in nearly a 6% reduction in air pollution emissions over the next 10 years – equivalent to taking 40% of our automobiles off the road – and save American households billions of dollars each year in energy costs.”

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